

## Audited Financial Statement Results

As required by the Government Management Reform Act, Interior prepares consolidated financial statements for the Department. These financial statements are audited by the Office of Inspector General. Additionally, almost every individual bureau prepares financial statements that are also audited by the Office of Inspector General. The preparation and audit of financial statements is an integral part of the Department's centralized process to ensure the integrity of financial information maintained by the Interior.

The results of the 1999 and 2000 audited financial statement process are summarized in *Figure 23*. As shown in the table, there were instances where exceptions on internal controls were noted as material weaknesses or reportable conditions, as well as instances of noncompliance with laws and regulations.

**Figure 23**

| Summary of 1999 and 2000 Financial Statement Audits |   |        |                             |       |  |       |  |       |   |                |         |
|---|---|--------|-----------------------------|-------|--|-------|--|-------|---|----------------|---------|
|   | Unqualified Opinion on Financial Statements |        | Report on Internal Controls |       | Report on Compliance with Laws and Regulations (Non FFMIA) |       | Report on Compliance with Laws and Regulations (FFMIA) Full Compliance |       | Report on Compliance with Laws and Regulations (FFMIA) Component Compliance |                |         |
|   | 1999  | 2000   | 1999                        | 2000* | 1999   | 2000* | 1999   | 2000* | Systems (4)   | Accounting (5) | SGL (6) |
| Dept  | Yes   | Yes    | No                          | No    | No   | No    | Yes  | No    | No  | No             | Yes     |
| FWS   | Yes   | No     | No                          | No    | Yes  | No    | Yes  | No    | No  | No             | Yes     |
| USGS  | Yes   | Yes    | No                          | No    | No   | No    | Yes  | Yes   | Yes   | Yes            | Yes     |
| BIA   | Yes   | Yes    | No                          | No    | No   | No    | No   | No    | No  | No             | Yes     |
| BLM   | Yes   | Yes    | No                          | No    | No   | Yes   | No   | Yes   | Yes   | Yes            | Yes     |
| MMS   | (1)   | No (2) | (1)                         | No    | (1)  | No    | (1)  | No    | No  | Yes            | Yes     |
| NPS   | Yes   | Yes    | No                          | No    | No   | Yes   | No   | No    | Yes   | Yes            | No      |
| BOR   | (3)   | Yes    | No                          | No    | No   | Yes   | No   | No    | No  | Yes            | Yes     |
| OSM   | Yes   | Yes    | No                          | Yes   | Yes  | Yes   | No   | Yes   | Yes   | Yes            | Yes     |
| OS  | Yes   | Yes    | Yes                         | No    | No   | Yes   | Yes  | Yes   | Yes   | Yes            | Yes     |

\* Based on available information at the time of report publication.

No – Indicates a qualified audit opinion or exceptions noted.

(1) Audited financial statements were not issued.

(2) An unqualified opinion was issued on the Statement of Custodial Activity.

(3) No audit opinion was issued.

(4) Federal financial management systems requirements.

(5) Applicable federal accounting standards.

(6) The Standard General Ledger at the transaction level.

## Resolution of Internal Control Weaknesses Reported in 1999 Audited Financial Statements

The tables in *Figures 24, 25, and 26* summarize actions taken to resolve material weaknesses, reportable conditions, and instances of noncompliance with laws and regulations reported in 1999 audited financial statements.